

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	Chapter 11
)	
Montrose Multifamily Members, LLC, <i>et al.</i> ¹)	Case No. 22-90323
)	
Debtors.)	Jointly Administered
)	
)	

**UNOPPOSED EMERGENCY MOTION OF DEBTORS FOR ENTRY OF AN ORDER
EXTENDING TIME TO FILE SCHEDULES AND STATEMENTS OF FINANCIAL
AFFAIRS**

Emergency relief has been requested. If you object to the relief requested or you believe that emergency consideration is not warranted, you must appear the hearing if one is set, or file a written response prior to the date that relief is requested in the preceding paragraph. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing has been set for October 17, 2022, at 1:00 p.m. (Prevailing Central Time). Participation at the hearing will be permitted by an audio and video connection.

Audio communication will be by use of the Court’s dial-in facility. You may access the facility at 832-917-1510. Once connected, you will be asked to enter the conference room number. Judge Jones’s conference room number is 205691. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Jones’s home page. The meeting code is “JudgeJones”. Click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of both electronic and in-person hearings. To make your appearance, click the “Electronic Appearance” link on Judge Jones’s home page. Select the case

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Montrose Multifamily Members II, LLC (5725); Colquitt 2008, LP (6108); Westmoreland Partners, LLC (1492); Graustark Members II, LLC (1605); Kipling Partners LLC (2339); MT Vernon Members, LLC (5014); and Norfolk Partners LLC (3182). The location of Debtor Montrose Multifamily Members, LLC’s principal place of business and the Debtors’ service address is 4203 Montrose Blvd, Suite 400, Houston, Texas, 77006.

name, complete the required fields, and click “Submit” to complete your appearance.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) file this their *Emergency Motion of Debtors for Entry of an Order Extending Time to File Schedules and Statements of Financial Affairs* (the “Motion”), and in support thereof would respectfully show the Court as follows:

I. JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157 (b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The bases for the relief requested herein are sections 105(a) and 521 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), Bankruptcy Rules 1007(c) and 9006(b) (the “Bankruptcy Rules”), and rule 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”).

II. BACKGROUND

3. On October 4, 2022 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”). Joint administration of the Chapter 11 Cases was authorized on October 5, 2022 [Dkt. No. 3]. The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. To date, no creditors committee has been appointed in the Chapter 11 Cases by the Office of the United States Trustee

for the Southern District of Texas (the “United States Trustee”). No trustee or examiner has been appointed in the Chapter 11 Cases.

4. The Debtors own and manage 14 multifamily apartment complexes in the Houston, Texas area. The Chapter 11 Cases were filed under an emergency basis due to the imminent foreclosure of their assets by their primary secured lender DLP Capital. Due to the emergency filing of the Chapter 11 Cases, the Debtors are still in the process with providing the undersigned proposed counsel the required financials in order to adequately prepare the Debtors’ schedules, statement of financial affairs, and other required disclosures.

III. RELIEF REQUESTED

5. The Debtors seek entry of an order (the “Order”), substantially in the form attached hereto: (a) extending the deadline by which the Debtors must file their schedules and statements of financial affairs (collectively, the “Schedules and Statements”) and (b) granting related relief.

IV. BASIS FOR RELIEF

6. The requirements of section 521 of the Bankruptcy Code and Bankruptcy Rule 1007(c) require debtors to file their Schedules and Statements within fourteen (14) days after their petition date. But, pursuant to Bankruptcy Rules 1007(c) and 9006(b), the Court has authority to extend the time required for filing of the Schedules and Statements “for cause.” Fed. R. Bankr. P. 1007(c) and 9006(b). The Debtors request a seven (7) day extension pursuant to 1007(c) and 9006(c) of the Federal Rules of Bankruptcy Procedure to file their schedules, statement of financial affairs, and other disclosures due to the emergency filing of the Chapter 11 Cases.

7. The Debtors submit that ample cause exists to grant the relief requested herein. To prepare their Schedules and Statements, the Debtors will have to compile information from books, records, and documents relating to numerous claims, assets, leases, and contracts. Accordingly,

collection of the necessary information will require a significant expenditure of time and effort on the part of the Debtors and their employees.

8. In the days leading up to the Petition Date, the Debtors' primary focus was on exploring restructuring alternatives. The Debtors now intend to focus its attention on the critical operational and chapter 11 compliance issues that are present during these early days of the Chapter 11 Cases.

V. EMERGENCY CONSIDERATION

9. The Debtors request emergency consideration of the Motion pursuant to Bankruptcy Rule 6003, which empowers a court to grant relief within the first 21 days after the commencement of a chapter 11 case "to the extent that relief is necessary to avoid immediate and irreparable harm." The Motion requests relief from procedural rules and requirements that pertain to matters of immediate significance or which involve deadlines sooner than 21 days after the Petition Date. The relief will save costs and avoid undue administrative burden and confusion only if granted before the applicable deadlines. Further, no party will be prejudiced by the relief requested herein. The Debtors have satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 and request that the Court approve the relief requested herein on an emergency basis.

10. The Debtors have conferred with counsel for DLP Capital, the Debtors' primary secured lender, who is unopposed to the requested relief.

VI. NOTICE

11. The Debtors will provide notice to parties-in-interest, including: (a) the U.S. Trustee for the Southern District of Texas and the appointed Subchapter V Trustee; (b) the holders of the 30 largest unsecured claims against the Debtor; (c) all secured creditors of the Debtor; (d) all applicable government agencies to the extent required by the Bankruptcy Rules and the Local

Rules; (e) any party that has requested notice pursuant to Bankruptcy Rule 2002; and (f) counsel for any of the foregoing, to the extent known. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE, the Debtors request that the Court enter an order, substantially in the form attached hereto, granting the relief requested in this Motion and granting such other and further relief as is appropriate under the circumstances.

Dated: October 12, 2022

Respectfully Submitted,

TRAN SINGH, LLP

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*Proposed Counsel for Debtor
and Debtor in Possession*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that, on this the 13th day of October 2022, a true and correct copy of this document was served via the Court's ECF notification system on all parties entitled to notice thereby and via U.S. Mail, First Class postage prepaid on the parties on the attached service list.

By: /s/Susan Tran Adams
Susan Tran Adams